

§ 1944.667

7 CFR Ch. XVIII (1–1–04 Edition)

or non-member of a co-op receiving HPG assistance outside the costs of repair and rehabilitation as well as for replacement housing (individual homeowners only).

(7) Any type of political activities prohibited by the Office of Management and Budget (OMB) Circular A-122.

(8) Other costs including contributions and donations, entertainment, fines and penalties, interest and other financial costs unrelated to the HPG assistance to be provided, legislative expenses, and any excess of cost from other grant agreements.

(9) Paying added salaries for employees paid by other sources, i.e., public agencies who pay employees to handle grants.

(c) Advice concerning ineligible costs may be obtained from FmHA or its successor agency under Public Law 103-354 as part of the HPG preapplication review or when a proposed cost appears ineligible.

(d) The grantee may not charge fees or accept any compensation or gratuities from HPG recipients for the grantee's technical or administrative services under this program. Where the grantee performs as a construction contractor, the grantee may be paid such compensation directly related to construction services provided and limited to authorized housing preservation activities.

(e) The policies, guidelines and requirements of 7 CFR parts 3015 and 3016 apply to the acceptance and use of HPG funds.

[58 FR 21894, Apr. 26, 1993, as amended at 62 FR 26210, May 13, 1997]

§ 1944.667 Relocation and displacement.

(a) *Relocation.* Public bodies and agencies must comply with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Act of 1970. The grantee must provide assistance for permanent or temporary relocation of displaced persons for units repaired or rehabilitated or for individual homes replaced with HPG assistance. HPG funds may be used to cover costs incurred in the relocation of displaced persons. The applicant shall include in its statement of activities, a statement concerning the tem-

porary relocation of homeowners and/or tenants during the period of repairs and/or rehabilitation to the units or dwellings. Any contract or agreement between the homeowner and the grantee, as well as between the grantee and the owner(s) of rental properties and co-ops shall include a statement covering at a minimum;

(1) The period of relocation (if any);

(2) The name(s) of the party (or parties) who shall bear the cost of temporarily relocating; and

(3) The name(s) of the party (or parties) who shall bear the cost of permanent relocation; and

(4) If paragraphs (a) (2) or (3) of this section is the grantee, the maximum amount of temporary or permanent relocation costs proposed to be allowed.

(b) *Displacement.* The applicant shall include in its statement of activities, a statement as to how its proposed HPG financial assistance program shall keep to a minimum the displacement of homeowners and/or tenants.

[58 FR 21894, Apr. 26, 1993, as amended at 62 FR 26210, May 13, 1997]

§ 1944.668 Term of grant.

HPG projects may be funded under the terms of a grant agreement for a period of up to 2 years commencing on the date of execution of the grant agreement by the FmHA or its successor agency under Public Law 103-354 approval official. Term of the project will be based upon HPG resources available for the proposed project and the accomplishability of the applicant's proposal within 1 or 2 years. Applicants requesting a 2 year term may be asked to develop a feasible 1 year program if sufficient funds are not available for a 2 year program.

§ 1944.669 [Reserved]

§ 1944.670 Project income.

(a) Project income during the grant period from loans made to homeowners, owners of rental properties, and co-ops is governed by 7 CFR parts 3015 and 3016. All income during the grant period, including amounts recovered by the grantee due to breach of agreements between the grantee and the HPG recipient, must be used under

(and in accordance with) the requirements of the HPG program.

(b) Grantees are encouraged to establish a program which reuses income from loans after the grant period for continuing repair and rehabilitation activities, as well as for individual housing replaced.

[58 FR 21894, Apr. 26, 1993, as amended at 62 FR 26210, May 13, 1997]

§ 1944.671 Equal opportunity requirements and outreach efforts.

The policies and regulations contained in subpart E of part 1901 of this chapter apply to grantees under this subpart.

(a) *Fair housing.* The Fair Housing Act prohibits any person or entity whose business includes engaging in residential real estate-related transactions to discriminate against any person in making loans, grants, or other financial assistance for a unit or dwelling, or which will be secured by a unit or dwelling, because of race, color, religion, sex, national origin, age, familial status, or handicap/disability. Prohibited practices under this section include:

(1) Failing to provide any person in connection with a residential real estate-related transaction, information regarding the availability of loans, grants, or other financial assistance, or providing information that is inaccurate or different from that provided others; and

(2) The term *residential and real estate-related transaction* includes the making or purchasing of loans, grants, or other financial assistance for purchasing, constructing, improving, repairing, or rehabilitating a unit or dwelling, as well as for replacement housing for individual homeowners.

(b) *Outreach.* In addition, the HPG grantee is required to address an outreach effort in their program. The amount of outreach should sufficiently reach the entire service area. As a measure of compliance, the percentages of the individuals served by the HPG grantee should be in proportion to the percentages of the population of the service area by race/national origin. If the percentages are not proportional, then adequate justification is to be made. Exhibit E-1 of this subpart

(available in any FmHA or its successor agency under Public Law 103-354 office) will be used to monitor these requirements. (Further explanation and guidance of exhibit E-1 can be found in exhibit E-2 of this subpart which is available in any FmHA or its successor agency under Public Law 103-354 office). A separate file will be maintained by the grantee that will include the following outreach activities:

(1) Community contacts to community organizations, community leaders, including minority leaders, by name, race, and date contacted;

(2) Copies of all advertising in local newspapers, and through other media. Any advertising must reach the entire service area. FmHA or its successor agency under Public Law 103-354 encourages the use of minority-owned radio stations and other types of media, if available, in the service area. The grantee's file shall also include the name of the media used, and the percentage of its patronage by race/national origin; and

(3) Copies of any other advertising or other printed material, including the application form used. The application form shall include the nondiscrimination slogan: "This is an equal opportunity program. Discrimination is prohibited by Federal Law."

(c) *Additional requirements.* In order to meet the Fair Housing requirements and the nondiscrimination requirements of Title VI of the Civil rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, the HPG grantee will need to adhere to the recommendations of exhibit H of this subpart (available in any FmHA or its successor agency under Public Law 103-354 office).

[58 FR 21894, Apr. 26, 1993, as amended at 62 FR 26210, May 13, 1997]

§ 1944.672 Environmental requirements.

Subpart G of part 1940 of this chapter will be followed regarding environmental requirements. The following is additional information on how to approach HPG projects under those requirements: